Iowa Department of Administrative Services

Government's Partner in Achieving Results

Governor Terry E. Branstad
Lt. Governor Kim Reynolds

Mike Carroll, Director

DAS

Concept Paper # 213

Presented to the Department of Administrative Services (DAS)
Date Prepared: <u>June 13, 2012</u>

<u>Name of document to be reviewed:</u>   Incumbent Workforce and Accelerated Career Education Monitoring System

(Please check one item listed in the following two sections)

<u>Document for review and approval:</u>

__ **Request for Proposal (RFP)**
__ **Request for Service (RFS)**
__ **Request for Quote (RFQ)**
__ **Invitation to Qualify**

__ **Sole Source Procurement**
__ **Statement of Work**
__ **Staff Augmentation**
__ **Master Agreement Purchase**

   NOTE: Sole source procurements will also need authorization from DAS Procurement for this type of purchase. Please also contact DAS Procurement at this location:
   http://das.gse.iowa.gov/procurement/solesource%202010.pdf

<u>Document for review only:</u>

__ **Master Agreement**   __ **Request for Information (RFI)**

<u>Agency:</u>   <u>Department of Economic Development (Economic Development Authority)</u>

 Reference #
Release Date:

<u>This project is requesting IOWAccess funds:</u> Yes _<u>X</u>_   No ___

   NOTE: IOWAccess concept papers are to be sent to Malcolm Huston (Malcolm.Huston@iowa.gov) for an internal DAS review.

<u>Expansion of existing project?</u>   Yes ___   No <u>X</u>

<u>Projected cost over $50,000?</u>   Yes _<u>X</u>_   No __

<u>Projected agency staff hours over 750?</u>   Yes _<u>X</u>__   No __

Project Cost, Funds and Funding Source:

Please list the internal and external resources/costs for the purchase:

Internal Resources/Costs: $167,552 (for in house writing of business specifications and programming)

External Resource/Costs: 0

Timelines:
December 1, 2012 – Implement a data system that supports a transparent and efficient infrastructure for funding applications and the reporting of job training results for the "Iowa Jobs Training Program" and the "Accelerated Career Education Program" referred to respectively, as the 260F and 260G workforce programs. These programs are established to support the training of incumbent Iowa businesses' workforce and to sustain the development of training programs educating workers in emerging high-skilled occupations most needed by Iowa employers. Training is implemented at the local level by Iowa's fifteen community colleges, with oversight provided at the state level by the Iowa Economic Development Authority (IEDA).

Background:
Enacted in 1986, the Iowa Jobs Training Program provides job training services for current employees of Iowa businesses. A business coordinates with the local community college to access 260F program resources. The community college works with the business to assess employee training needs, develop a training plan, complete the application for funding, and to deliver the training or contract for its delivery. The college is also responsible for monitoring the outcome of the training and ensuring the participating business completes a performance report upon completion of training.

Enacted in 2000, the Accelerated Career Education program requires a business to sponsor a portion or all of the positions created by the establishment or expansion of a current educational program. In sponsoring open positions in a program through the 260G program, a company agrees to consider the student for employment upon the completion of their respective training program. Businesses must assist with program design and provide a 20 percent match of the program costs, pro-rated by the percentage of positions sponsored. Project job credits are awarded to a business based upon the number of seats sponsored in a program. The credit may be up to 10 percent of the hiring wage that a sponsoring business would pay to an individual that completes the programs' requirements. The credits are made possible through the a diversion of a portion of the business's personal income tax withholding and are paid to the community college over this life of the agreement between the business and the community college (usually five years).

To be eligible for the 260F or 260G program, a business must be engaged in interstate or intrastate commerce for the purpose of manufacturing, processing assembling products, warehousing, wholesaling or conducting research and development. Retail and professional services are not eligible for funding. $10 million in funding is annually made available for these two workforce training programs; $4 million to 260F and $6 million in job credits to 260G.

(There is no administrative funds or budget allocated for the operational support of 260F and 260G.)

Anticipated Results:

What are the tangible and intangible benefits of this purchase for this agency and/or state government?

Tangible benefits include that for the first time, complete and comprehensive information about all aspects of the 260F and 260G programs (program costs, performance, and return on investment) will be available to citizens, policy makers and program administrators at both community colleges and state agencies.

Intangible benefits include that government transparency, accountability and consistency will be fully supported through the use of available technology.

Can these benefits be quantified in financial terms? If yes, please explain.

Benefits of implementing the 260F and 260G systems can be quantified or expressed in financial terms in several ways, such as: overall administrative (overhead) costs for supporting the program as a whole can be analyzed and available for comparative purposes; data regarding the impact of wage gain by employees participating in the customized training programs can be evaluated; the ongoing reconciliation of claimed withholding taxes and payments by businesses will be enhanced, and the revenue gains of businesses participating in the program can be better understood, and the share of program costs attributable to program administration and debt service identified, just to name a few. The improved data will also allow for comparisons across community colleges, employers and industries.

How will you be more effective as a result of this purchase?

Staff time use in collecting, tracking, monitoring and reporting program information will be much more efficient and automated.

How will service to your customers be enhanced as a result of this purchase?

Much greater transparency, accountability and consistency in program practices.

Testing and Acceptance:

Testing and acceptance will be done by IDED and DR ITE personnel.

Some of the Recipients of this Service:

Citizens, legislators, community colleges, state agencies.

Standards:

The application will comply with Iowa's current IT standards as defined in http://das.ite.iowa.gov/standards/enterprise_it/index.html

Architecture:

The application will comply with Iowa's current IT standards as defined in http://das.ite.iowa.gov/standards/enterprise_it/index.html

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Business Continuity / Disaster Recovery:

The application will comply with Iowa's current IT standards.
http://das.ite.iowa.gov/standards/enterprise_it/index_11_data_backup.html

Recommendations from Joint Chief Information Officers/DAS IT Procurement Review Committee members:

NOTE: *Where applicable, all DAS GSE Procurement and IA Administrative Code 11-105 and 11-106 requirements and procedures are to be followed. Reference: http://das.gse.iowa.gov/procurement/, specifically: http://das.gse.iowa.gov/procurement/adminrules/.*

Duplication recommendation from the JCIO to DAS (from 3 of 11 JCIO members):

a) Is there duplication within Government? *(Please identify duplication within your agency, as well as within the enterprise)* **No.**
b) Can an existing program be modified to address a new need? **No.**
c) Do you have any similar program in existence? **No.**
d) Have you sought IT procurements for similar programs in the past? **No.**
e) Do you have purchasing documents for similar programs? **No.**
f) Do you have similar purchasing documents that could be used as a starting point for this program? **No.**
g) Is there anything you could provide that could assist the agency with this IT procurement? **No.**
h) Are there alternatives available to the agencies? **No.**

Recommendation of the JCIO to the DAS IT Procurement Review Committee:

Authorize this IT procurement   Yes _X_ No ___
Alternatives suggested by the JCIO
   (see comments below)   Yes ___ No _X_

Additional comments from JCIO members: **None**

Note: This concept paper originally was reviewed by the DAS IT Procurement Review Committee but was still under review when the committee disbanded. The review passed to the State CIO to complete.

Recommendations from the State CIO:

Duplication recommendation from the State CIO to the DAS Director:

a) Is there duplication within Government? *(Please identify duplication at the agency level, as well as within the enterprise)*
b) Can an existing program be modified to address a new need?
c) Do you have any similar program in existence?

d) Have you sought IT procurements for similar programs in the past?
e) Do you have purchasing documents for similar programs?
f) Do you have similar purchasing documents that could be used as a starting point for this program?
g) Is there anything you could provide that could assist the agency with this IT procurement?
h) Are there alternatives available to the agencies?

State CIO Response:
> The State CIO requires detailed information on the use of these funds for 'in-house development' versus finding an off-the-shelf solution or utilizing other State resources, such as DAS-ITE, WFD, etc.
>
> Additionally, we will need to understand more detail about the investment, what development/programming language (Standards), what resources are to be utilized (in-state or contractors), where is the data housed, if there is a project plan and/or timeline. Expected costs of annual maintenance/changes to the program, total costs projected (5 years), performance measurement on both the program and the project (how we measure success), can this be used by any other agency, how we handle records created as a result of the program and how we make those available to the public (transparency), how we approach security, and if there is any similar program or coordination with Workforce Development. How does this relate to the FY12 funded amount of $210,000?

Recommendation of the State CIO to the DAS Director:

Authorize this IT procurement   Yes ___   No _X_
Alternatives suggested by the State CIO
   (see comments below)   Yes _X_   No ___

Additional comments from the State CIO: **The State CIO recommends denial of the IOWAccess funding. There is no public facing or engaging component to this particular IT procurement for IOWAccess funding. If possible, the request could be redesigned to include a component for further review.**

DAS Director's action:
Authorize this IT procurement   Yes ___   No _X_

The above IT procurement concept denied by Director Carroll on __1/25/13__

Comments: **None.**